CATHOLIC HEALTH

Franciscan Health System

JAN 3 1 2007
CERTIFICATE OF NEED PHOGRAM
DEPARTMENT OF HEALTH

January 31, 2007

Janis Sigman, Manager Certificate of Need Program Department of Health P.O. Box 47852 Olympia, WA 98504-7852

Dear Ms. Sigman:

Please accept this letter as a letter of intent for Franciscan Health Systems dba St. Clare Hospital (SCH). SCH proposes to establish a new dialysis facility in South Pierce County (Per WAC 246-310-280 this area is defined as Pierce Five). This facility will have up to 21 stations. In accordance with WAC 246-310-080, the following information is provided:

1. A Description of the Extent of Services Proposed:

SCH is proposing to establish a new dialysis facility to be located in Spanaway, South Pierce County. This facility will provide incenter dialysis to end-stage renal patients.

2. <u>Estimated Cost of the Proposed Project:</u>

The capital expenditures are not expected to exceed \$2 million.

3. <u>Description of the Service Area:</u>

Per WAC 246-310-280, the service area is Pierce Five.

Thank you for your support in this matter.

Sincerely,

James Good Vice President

Specialty Services